



# **WIGTON ENERGY LIMITED**

## **DIVIDEND POLICY**

**OCTOBER, 2024**

**A. POLICY STATEMENT**

Wigton Energy Limited (“Wigton” or the “Company”) formerly Wigton Windfarm Limited was established in April 2000 under the Companies Act of Jamaica as a subsidiary of the Petroleum Corporation of Jamaica. In May 2019 the Company was divested by way of an initial public offer and subsequently listed on the Jamaica Stock Exchange.

As a listed company, Wigton recognises that investors and shareholders will from time to time anticipate the payment of dividends in line with the performance of the Company and its operating and economic environment. In this regard, the Board of Directors has approved a Dividend Policy (hereinafter referred to as the “Policy”).

**B. PURPOSE**

This Policy outlines the guidelines applicable to Wigton for declaring and distributing dividends to shareholders out of profits, as determined by the Board of Directors, which accords with section 158 of the Companies Act and Articles 144 to 154 of the Company’s Articles of Incorporation.

This Policy balances the objectives of appropriately rewarding shareholders through dividends as well as the maintenance of stipulated liquidity, capital adequacy ratios and observing the Company’s restrictions on the payment of dividends set out in any corporate debt instrument.

This Policy is consistent with and should be read in tandem with the relevant policies governing the Company’s cash and capital management activities and procedures.

**C. POLICY**

The Company’s Board of Directors will declare, on the recommendation of the Finance and Investment Committee and at its sole discretion, dividends to shareholders, provided such declaration is in accordance with this Policy and after taking into consideration any regulatory or other requirements.

It is the intention of the Company to annually pay a dividend of not more than twenty-five per cent (25%) of audited profits after tax (less any non-cash adjustments), at such time(s) during the year and amount as determined by the Board of Directors and, as the Company continues to pay down its debt. The declaration and final value of any dividend to be paid will be determined and approved by a resolution of the Board of Directors and thereafter declared final by the shareholders at the Annual General Meeting of the Company.

A dividend, once declared, may only be paid from retained earnings and is subject to available cash flow.

No dividend shall be declared if there is or is likely to be a breach of any of the financial covenants set out in the debentures securing the Company’s obligations under the following 2022 refinanced bonds.

Series	Amount	Coupon Rate	Maturity Date
A	\$3,900,000,000	6.30%	13 September 2026

Series	Amount	Coupon Rate	Maturity Date
B	<u>\$1,900,000,000</u>	7.25%	14 March 2027
<b>Total</b>	<b>J\$5,800,000,000</b>		

The Board of Directors, at its sole discretion, may alter the dividend pay-out ratio from the stipulated target as the need arises.

No interest shall accrue on unclaimed dividend and dividend which remain unclaimed for more than twelve (12) years from the date of declaration of such dividend shall be forfeited and revert to the Company.

**D. MONITORING AND REVIEW**

The Audit and Risk Committee and Board of Directors shall monitor adherence to the provisions of this Policy.

This Policy shall be reviewed at least every two (2) years by the Audit and Risk Committee, or more frequently as determined by the Board of Directors.

Any amendments to the provisions of this Policy must be submitted to the Board of Directors for its consideration and approval.

**DOCUMENT CONTROL**

<i>Version</i>	<i>Date</i>	<i>Date Approved by Board</i>	<i>Area Changes made</i>
1	May 25, 2021	May 25, 2021	N/A
2	September 8, 2022	September 8, 2022	No changes
3	October 2024	October 31, 2024	Updates to Section C to adjust the language on the payout frequency and the restatement of the Bonds in 2022.  Changes throughout to reflect the 2023 changes to the names and functions of the Audit and Risk Committee and the Finance and Investment Committee.